

**REQUEST FOR PROPOSALS**

**SPECIAL NEEDS RENTAL HOUSING**

**FOR THE ELDERLY**



**FUNDING APPLICATION**

**DUE FEBRUARY 20, 2013**

**MOBILE COUNTY, ALABAMA**

205 Government Street, South Tower, 8th Floor, Mobile, AL 36644

[www.mobilecountyal.gov](http://www.mobilecountyal.gov)



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## INTRODUCTION

Mobile County Consortium is a recipient of HOME funds from the U.S. Department of Housing and Urban Development. One of the critical housing needs which this program is designed to meet is that of Special Needs Housing for Elderly lower income citizens. As lead agency for the Consortium, Mobile County Commission requests proposals from developers applying to the Alabama Housing Finance Authority for the 2013 application cycle for Low Income Housing Tax Credit (LIHTC) to construct and manage special needs housing for the elderly in the Mobile County Consortium area. The Consortium consists of City of Bayou La Batre, City of Chickasaw, City of Citronelle, City of Creola, Town of Mount Vernon, City of Prichard, City of Saraland, City of Satsuma, City of Semmes and the unincorporated areas of Mobile County.

Housing should be convenient to shopping, entertainment and medical services as well as address security and accessibility. Housing should be located in an area with a shortfall of such housing. The Special Needs Elderly Housing Program will be included in the Mobile County Consortium 2013 Action Plan.

The maximum commitment from Mobile County HOME funds will be \$500,000 and will be in the form of a loan at rate of 0% interest. Repayment of the loan shall start in the 5<sup>th</sup> year and be payable in equal monthly installments over a period of 15 years thereafter.

Developers may not receive more than the maximum HOME subsidy for the area determined by HUD for each unit of HOME-assisted housing based on bedroom size of units. The HOME maximum subsidy is determined by the proportion of the total project cost that is HOME-eligible, how many of the units are HOME-assisted, and the financial needs of the project. The actual subsidy provided will be subject to cost allocation and subsidy layering analysis. The minimum subsidy is \$1,000 times the number of HOME-assisted units in the development. HUD supplies the per-unit dollar limits annually.

HOME rules require that assisted properties remain affordable for a specific period of time. Mobile County has adopted the HOME Program affordability standards as established by HUD. Participating Jurisdictions are required to place certain restrictions on assisted properties in order to preserve affordable housing in their communities. Restrictions involving the period of affordability of 20 years will be incorporated in a deed restriction and mortgage documents or other appropriate and binding documents.

Income and rent limits are supplied by HUD and revised annually. Rent cannot exceed HOME rent limits. Rents are to be adjusted as leases are renewed. Tenants of HOME assisted rental units must have incomes below specific low-income limits for the Mobile MSA. Mobile County calculates Annual Income as defined in 24 CFR Part 5 (Section 8 Definition). Income and Rent limits can be found in Appendix B. Developers must commit to certain tenant rent and income restrictions for the period of affordability. Income and rent restrictions are recorded as a covenant running with the property which remains in force even if the property is sold or the loan is repaid during the period of affordability. Projects are monitored annually for compliance with program requirements.

Successful applicant(s) will receive a letter of commitment which will state that the commitment is contingent upon: 1) approval of the Mobile County Consortium 2013 Action Plan by the Mobile County Commission and HUD; 2) availability of HOME funds; 3) applicant receives award from AHFA for LIHTC; and 4) an environmental review clearance and release of funds secured from HUD.

Neither this program notice nor the acceptance of any application shall imply a funding obligation to any applicant. Funding of Proposals will be contingent upon receipt of federal HOME funds from the U.S. Department of Housing & Urban Development (HUD). Should Mobile County HOME allocation be reduced or eliminated, no claim may be made against the County's General Fund or other resources regardless of the status of the proposal(s) or issuance by the County of a Commitment Letter(s) for HOME funding. The County reserves the sole right to approve or reject any and all applications on such basis as it deems to be in its best interest. As a Participating Jurisdiction, Mobile County Commission is responsible for the administration of the HOME Program under federal HOME regulations and HUD requirements. It is the intent that this RFP be issued and proposals underwritten in compliance with said regulations and requirements. Should the regulations and requirements change at any time, the County reserves the right to alter its Program to ensure compliance up to and including terminating any Commitment issued if the project does not meet new HOME regulations and/or HUD requirements. The County, its elected officials, employees and agents shall not be held responsible or liable for any losses incurred from claims, suits, damages, and costs and expenses of any kind or of any nature that any proposing firm may suffer, incur or pay arising out of decisions by the County concerning any proposal, application, loan decision(s), or action(s) associated with the administration of the HOME Program.

A fully executed agreement between the County and the developer/applicant must be executed within 18 months from the date of letter of commitment. Construction of the project must start within 12 months of the aforementioned agreement.

## **MINIMUM DEVELOPMENT REQUIREMENTS**

1. Number of units: 12 to 56;
2. Units must be located on single site;
3. Units must be ground level or elevator type new construction;
4. Units must be one or two bedrooms;
5. Each unit shall have a self-contained kitchen and bathroom;
6. Complex must have a fully-equipped laundry room if washer/dryer connections are not provided in each unit;

7. Complex must have, or have access to, an accessible van or public transportation;
8. Minimum number of units required by federal, state and local regulations must be fully accessible. Certification by project architect is required. Units for the sensory impaired are also required under the same regulations. All of the remaining units must be fully adaptable;
9. New Construction must meet International Energy Conservation Code requirements (certification by project architect required). Extra points will be given to complexes using Energy Star Appliances;
10. Extra points will be awarded for amenities, such as common areas (must comply with HOME Program rules to be eligible);
11. Complex overall design should be done with security in mind;
12. Grounds should be fully landscaped with emphasis on low maintenance plants;
13. Complex must be within reasonable access (i.e. public bus and/or complex van) to shopping, entertainment, and health services;
14. Site shall be served by public sewer, public water, and public road;
15. Site shall be in a designated Fire District or served by a Fire Department;
16. Hardware for doors: Lever handled; and
17. Appliances: Oven/stove, dishwasher and refrigerator.

Note: Extra points will be given for innovative design, low maintenance, energy efficiency and amenities.

## **BASIC MINIMUM PROPOSAL REQUIREMENTS**

Mobile County Commission requires that developers submit proposal in the manner prescribed below. This information should substantiate the capacity and ability of the developers to provide financing, marketing and the management capacity for Affordable Special Needs Rental Housing for low income elderly.

Any proposal submitted without all of the information requested below will be considered incomplete and non-responsive.

- A. Executive Summary should contain a brief synopsis of the proposed development and contain number of units, location, project costs and the proposed financing. The Summary should also have a brief description of the proposed complex (frontal elevation

and floor plan only—detailed drawings are not required with RFP), proposed site plan, security arrangements, amenities and accessibility/adaptability provisions;

- B. Developer Capacity should include a list of projects completed of a similar nature. Please list any LIHTC projects developed in the past five (5) years and identify LIHTC projects that are under construction and not completed;
- C. Submit proof of ownership (warranty deed) for the proposed development site or, if you do not have proof of ownership, you must submit proof of site control such as an option or commitment to sell, signed by the seller. An informational title binder for the proposed site must also be included in the proposal;
- D. Letter of Commitment from private lender for development costs (construction financing) and any permanent financing. Additional points will be awarded for projects with qualifying HOME Program Match;
- E. Total Project Sources and Uses of Funds;
- F. Twenty (20) Year Proforma;
- G. Detailed construction budget;
- H. Provide names and addresses of all members of the development team. Disclose any identity of interest and provide details of the relationship(s). Provide resume of corporate experience in the development, marketing and management of similar type projects. If you propose to use a third party management company, please specify;
- I. Provide proof of infrastructure (existing paved roads, utilities, etc.);
- J. Provide letter agreeing to comply with all of the provisions of the HOME Program;
- K. Developer must adhere to Davis Bacon and Section 3 requirements;
- L. Provide proof of IRS 501 (c) (3) Status or, if a For-Profit Corporation, documentation of corporate status;
- M. Provide certified copies of all of the organizational documents of all the entities involved in the project, including Articles of Incorporation and/or Partnership Agreements;
- N. Provide a copy of most recent financial statements or audit by independent accounting firm;
- O. Provide evidence of permissive zoning or application for permissive zoning (permissive zoning must be in place prior to award);
- P. A copy of the Title Insurance Commitment;

- Q. Flood Hazard Determination Form (FEMA Form 086-0-32) from a nationally recognized flood data service or from a licensed surveyor that no portion of the property is located within the 100-year flood plain. The proposed development cannot be located in the designated floodplain.
- R. Market Study conducted by an independent third party market analyst. Additional time may be granted for submission of report prepared by third parties if requested in writing at time of submission;
- S. Phase I Environmental Site Assessment Additional time may be granted for submission of report prepared by third parties if requested in writing at time of submission;
- T. Certification: Regarding Conflict of Interest; Debarment, Suspension and other Responsibility Matters; Displacement, Relocation and Acquisition; Prohibition of the Use of HOME Funds for Lobbying & Bribes; Affirmative Marketing Procedures and Equal Opportunity.

This list may not be all inclusive. Additional documentation may be required.

All tenants and residents must be 62 years of age or older. The only exception to this requirement is an approved adult care-giver.

## **SELECTION CRITERIA**

The preliminary funding commitment resulting from this Request for Proposals shall be determined by a scoring system but not necessarily limited to, the factors shown below. Regardless of strict numerical ranking, the scoring does not operate to vest in an applicant or project any right to a reservation or commitment of HOME funds. The County will, in all instances, commit HOME funds consistent with sound and reasonable judgment, prudent business practices and the exercise of its inherent discretion.

Points will be designated for each factor of consideration with a maximum score of 140 points.

- A. Documented evidence of corporate experience in special needs rental housing and staff qualifications for the development and management of special needs elderly housing (rental) called for in this RFP.
- B. Non-Profit must have 501 (c)(3) and Corporate Status. \_\_\_\_yes \_\_\_\_no
- C. Developer has a willingness to comply with HOME Regulations and the attached Terms and Conditions (note: written letter to this effect must accompany proposal).  
\_\_\_\_yes \_\_\_\_no

- D. Non-Profit or its sponsor/affiliate for the For-Profit developer has experience and experienced staff in the development and management of Affordable Special Needs Housing for the lower income elderly. \_\_\_\_\_yes \_\_\_\_\_no

If a firm meets the criterion discussed above and has submitted all supporting documentation called for, it will be rated as follows:

- a. Experience in the development and management of Affordable Special Needs Housing for the lower income elderly—up to 40 points;
- b. Financial proposal which combines other funding sources—up to 30 points;
- c. Projected rents as well as design and amenity considerations will be looked at closely. Each proposal will be compared to our minimum requirements and to each other to determine which proposal(s) are the strongest—up to 20 points;
- d. Review of most recent financial statements or audit by an independent auditor—up to 20 points;
- e. Strength of proposal as determined by review of proforma—up to 30 points; and
- f. Extra points
  - 1. Energy Efficiency—up to 5 points
  - 2. Innovative Design—up to 5 points
  - 3. Low Maintenance—up to 5 points
  - 4. Amenities—up to 5 points
  - 5. Qualifying HOME Match and/or Program Income—up to 5 points

HOME rules require that 20% of rental units must be occupied and affordable to qualified tenants at or below 50% of the median household income as defined by HUD. The remaining units must be occupied by tenants at 60% or less of median household income as defined by HUD.

No loan application will be processed for any borrower or related entity which is not in good standing with the Mobile County Commission, the Alabama Housing Finance Authority or any other state housing finance authority, the Alabama Department of Economic and Community Affairs (ADECA), the U. S. Department of Housing and Urban Development or the USDA Office of Rural Development (formerly the Farmers Home Administration). An applicant can be denied consideration for funding if the applicant or its related parties have a history of default or non-performance under any agreement, payment delinquencies, bankruptcy, foreclosure or activities determined to be unsound or unlawful.

## **SUBMITTAL SCHEDULE**

The proposing firm must submit to the Mobile County Commission Grants Department a letter and other documents verifying its commitment to comply with all requirements outlined in this



application. Please submit three (3) hard copies of the response. Copies include one (1) original (so marked), and two (2) copies. If possible please provide another copy in electronic format. The electronic copy does not substitute for the hard copies.

All proposals must be received and date stamped by the County no later than 12:00, noon on February 20, 2013. Proposals must be sealed and properly labeled and may be mailed or hand delivered.

Grants Department  
Mobile County Commission  
South Tower, 8<sup>th</sup> Floor  
Mobile Government Plaza  
205 Government Street  
Mobile, Alabama 36644-1800

Please mark envelope “Special Needs Rental Housing for the Elderly.”

### **MBE/WBE PARTICIPATION**

Firms are encouraged to utilize the skills and services of minority businesses in the fulfillment of the contractual responsibilities pertaining to this project.

Mobile County, in carrying out projects as authorized under the Housing and Community Development Act of 1974, is required under 1365 of Title 24, Housing and Urban Development Act of 1968, to take affirmative action to assure that employable persons and businesses in our projected area (Mobile County) are utilized to the greatest extent feasible with particular emphasis being placed upon the hiring of women and minorities as both employees and, where applicable, subcontractors. Mobile County is sincere in its efforts to insure that both the letter and intent of the regulations are complied with and Mobile County will monitor firm’s efforts in this area.

### **CODE OF CONDUCT**

The developer covenants that no person who presently exercises any functions or responsibilities in connection with the Mobile County HOME program has any personal financial interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The developer further covenants that in the performance of this Agreement, no person having any conflict of interest shall be employed. Any interest on the part of the developer or its employees must be disclosed to the County provided, however, that this paragraph shall be interpreted in such a manner so as not to unreasonably impede the statutory requirements that maximum opportunity to be provided for employment of and participation by low and moderate income residents of the area.

# **APPENDIX A**

## **CERTIFICATIONS**

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## **CERTIFICATION REGARDING CONFLICT OF INTEREST**

The undersigned certifies to the Mobile County Commission that it and its principals are in compliance with the Conflict of Interest provision of the HOME Program:

In all cases not governed by those rules, conflicts of interest are not permitted. The following applies:

**If a person is:**

An employee, agent, consultant, officer, elected official or appointed official of a PJ, State recipient or sub recipient,

**AND** have project-related responsibilities or access to inside information.

**That person may NOT:**

Obtain a financial benefit or interest from any HOME activity for themselves or those with whom they have family or business ties during their tenure or for one year thereafter.

## **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS**

1. The undersigned certifies to the Mobile County Commission that it and its principals:
  - (a) Are not presently debarred, suspended, proposed for debarment or suspension, declared ineligible, or voluntarily excluded from any transactions or construction projects involving the use of Federal funds;
  - (b) Have not within a three-year period preceding this certification been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - (c) Are not presently for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
  - (d) Have not within a three-year period preceding this certification had one or more public projects (Federal, State or local) terminated for cause of default.

2. Where the undersigned is unable to certify to any of the statements in this certification, the undersigned shall attach an explanation to this certification.

#### **CERTIFICATION REGARDING DISPLACEMENT,RELOCATION AND ACQUISITION**

The undersigned hereby certifies to the Mobile County Commission that if its application is selected for funding, the project will not result in the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms).

#### **CERTIFICATION REGARDING PROHIBITION OF THE USE OF HOME FUNDS FOR LOBBYING AND BRIBES**

The undersigned certifies to the Mobile County Commission, for itself and its principals that:

- (1) No Federal appropriated funds have been paid or will be paid by or on behalf of the Owner, to any person for influencing or attempting to influence an office or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan or cooperative agreement;
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Owner will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- (3) The Owner shall require that this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

#### **CERTIFICATION REGARDING AFFIRMATIVE MARKETING PROCEDURES AND EQUAL OPPORTUNITY**

The undersigned applicant certifies to Mobile County Commission that it will continue to further Equal Opportunity and Fair Housing by:

1. Establishing affirmative marketing procedures to be utilized so that no person shall, on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied benefits of, or be subject to discrimination under any

program or activity funded in whole or part with funds made available under Mobile County's HOME Program.

2. Complying with the requirements of the Fair Housing Act and the Age Discrimination Act of 1975.
3. Displaying the Fair Housing logo on its advertisements for those units and at the leasing or sales office. At a minimum, a Fair Housing poster will be displayed at the leasing or sales office.
4. Submitting in writing to the County its plans to solicit applications from persons in the community who are unlikely to apply without special outreach.
5. Maintaining a list of the characteristics of the tenants renting HOME assisted units and will assess and report annually the results of these efforts to the County.

**Signature of Authorized Certifying Official:**

**Title:**

\_\_\_\_\_

\_\_\_\_\_

**Applicant Organization:**

**Date:**

\_\_\_\_\_

\_\_\_\_\_

STATE OF ALABAMA     )  
COUNTY OF MOBILE    )

I, the undersigned Notary Public in and for the State of Alabama at Large, hereby certify that \_\_\_\_\_, whose name as \_\_\_\_\_ of \_\_\_\_\_ is signed to the foregoing certifications and who is known to me, acknowledged before me on this date that that, being informed of the contents of the certifications, he, as such officer and with full authority, signed the same voluntarily for and as the act of said corporation.

GIVEN UNDER my hand and official seal this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public  
State of Alabama at Large  
My Commission Expires: \_\_\_\_\_

## **APPENDIX B**

### **HOME RENTAL INCOME LIMITS**

#### **HOME RENT LIMITS**

## **2012 HOME Rental Income Limits for Mobile, Alabama MSA**

(Annually Updated by HUD)

	<u>1 Person</u>	<u>2 Person</u>
50% Median Income	\$18,200	\$20,800
60% Median Income	\$21,840	\$24,960

Mobile County calculates Annual Income as defined in 24 CFR Part 5 (Section 8 Definition).

## **2012 HOME Rent Limits for Mobile, Alabama MSA**

(Annually Updated by HUD)

	Efficiency	1 BR	2BR
Low	\$455	\$487	\$585
High	\$571	\$613	\$714